

JI

TO: Officials In Charge of Headquarters Offices

FROM: B/Headquarters Quality Council Executive Secretary

SUBJECT: Headquarters Quality Council Meeting of May 4, 2001

The NASA Headquarters Quality Council met on May 4, 2001, from 9 - 11 a.m. in ACR-2.  
The following personnel were in attendance:

<u>Name</u>	<u>Title/Organization</u>
Daniel Mulville	Associate Deputy Administrator and Official-in-Charge, Headquarters ISO 9001
Keith Hudkins	Deputy Chief Engineer
James Radosovich	Representing Lee Holcomb Chief Information Officer
Michael Mann	Director of Integrated Financial Management Program Office of the Chief Financial Officer, and Headquarters ISO 9001 Executive Management Representative
Stephen Varholý	Chief Financial Officer (Acting)
Michael Christensen	Associate Administrator Office of Headquarters Operations
George Reese	Associate Administrator Office of Equal Opportunity
Vicki Novak	Associate Administrator Office of Human Resources and Education
Robert Stephens	Deputy Associate Administrator Office of General Counsel
Anne Guenther	Representing Tom Luedtke Associate Administrator

Jeffrey Sutton	Office of Procurement Associate Administrator Office of Management Systems
Ralph Thomas	Associate Administrator Office of Small and Disadvantaged Business Utilization
Mary D Kerwin	Deputy Associate Administrator Office of Legislative Affairs
William Readdy	Deputy Associate Administrator Office of Space Flight
Paula Cleggett	Deputy Associate Administrator Office of Public Affairs
Peter Rutledge	Representing Fred Gregory Associate Administrator Office of Safety and Mission Assurance
Jay Henn	Representing Sam Venneri Associate Administrator Office of Aerospace Technology
Earle Huckins	Deputy Associate Administrator Office of Space Science
Kristen Erickson	Acting Deputy Associate Administrator Office of Biological and Physical Research
Michael Luther	Deputy Associate Administrator Office of Earth Science
Beth McCormick	Acting Associate Administrator Office of Policy and Plans

Mr. Mann provided a presentation in conjunction with the requirements of HQPC 1150.1, Headquarters Quality Council Charter. Mr. Mann presented the following points in assessing the continuing suitability and effectiveness of the HQ Quality System:

- 1) Internal and external audits indicate no major problems with the HQ Quality System.
- 2) There is an opportunity to improve HQ-wide action tracking and management as our primary vehicle for communicating with our external customers.
- 3) We need to improve the way we handle internal corrective actions and customer complaints, and should use the transition to ISO 9001:2000 as an opportunity to do so. Currently, while organizations regularly pursue internal corrective actions and respond to customer complaints, they're not being accounted for regularly. The recommendation presented was to expand customer complaints to all customer communications, focus on Code A and Enterprises as the predominate interface with external customers, utilize the newly developed Code AI HATS information capability,

and utilize existing systems to track internal corrective actions and customer complaints. The council agreed this was a better approach to capturing internally identified problems and customer complaints.

- 4) Action items from previous HQ Quality Council meetings are being managed well.
- 5) There are no major resource issues at this time with the exception of the ISO 9001 Program Office, but the issues are being addressed.

In summary, Mr. Mann concluded the current HQ Quality System is working well as defined with the exception of our need to reengineer part of the Corrective and Preventive Action System (CPAS).

After reviewing the HQ Quality System, Mr. Mann discussed the actions that are necessary to transition to the new ISO 9001:2000 standard. The discussion included a reassessment of the value of maintaining ISO certification as well as a proposal on how to move to the new standard. Mr. Mann identified the following factors that need to be considered:

- 1) The decision to maintain certification should be based on value-added criteria.
- 2) The system must enable us to do what we do better. It must be how we do our day-to-day business.
- 3) We cannot afford to maintain a parallel system designed and implemented solely to achieve and maintain ISO 9001 certification.
- 4) The decision for Headquarters should be made in the context of an Agencywide decision to maintain ISO 9001 certification.

The Quality Council agreed with these factors. Mr. Mann continued the discussion with a review of management at NASA HQ "pre-ISO" and a review of the benefits and shortcomings of implementing a Quality System that conforms to ISO 9001. In doing so, Mr. Mann made the following key points:

- 1) Management at HQ "pre-ISO" was largely characterized by an undocumented system for how we met our mission requirements. Processes were largely ad hoc, and we relied heavily on corporate knowledge.
- 2) Benefits of ISO certification included:
  - We captured corporate knowledge by clearly defining and documenting our key products and processes.
  - Certification forced us to treat the business of HQ as a system, and to address process interface issues.
  - Documenting virtually every key process, reengineering and improving processes along the way, and our employees understanding the processes.
- 3) The following factors limited the benefits of ISO 9001 certification somewhat:
  - ISO 9001:1994 was written from a manufacturing perspective.
  - Process management was far from a cultural norm at HQ. We tend to want to view every event as unique.
  - We've suboptimized the HQ Quality System because of our emphasis to achieve certification, i.e., we have a Quality System which runs in parallel with the way we do business.

Mr. Mann then presented an overview of the recently released ISO 9001:2000 standard, and a high level assessment of the differences between ISO 9001:1994 and ISO 9001:2000. Key points included:

- 1) ISO 9001:2000 is a whole new way of looking at managing our products and processes, and is heavily influenced by management best practices such as the Baldrige award criteria.
- 2) ISO 9001:2000 is more generic than ISO 9001:1994 and focuses more at the system level.
- 3) By being certified to ISO 9001:1994 we are at least 80 percent there; maybe more depending on how we choose to proceed (maybe less if we choose poorly).
- 4) The enclosed briefing addresses additional differences by focusing on the 8 quality management principles of ISO 9001:2000, and key differences between how they're treated between the 1994 and 2000 versions of the ISO 9001 standard.

Mr. Mann concluded that the new standard is much more appropriate for NASA HQ, and can help us to better align the Quality System with the way we do business. Mr. Mann then presented a possible model for the HQ Quality System that would conform to ISO 9001:2000. An illustration of the model can be found on page 38 of the enclosed brief. Key points included:

- 1) Focus on the products of HQ in consonance with the requirements of the Government Performance and Results Act (GPRA) versus the products of each Official-in-Charge. For example: strategic planning, budgeting, and the NASA Performance Plan and Performance Report.
- 2) Most processes for producing these products are already in place. We just need to make sure that the processes that produce these products are appropriately controlled. As a result, under the new model, all OWI's are not equally important. However, the highest level processes need to actively seek customer satisfaction measures, measure effectiveness, and demonstrate how these measures are used to continually improve the products.

Mr. Mann concluded by addressing various considerations in transitioning to ISO 9001:2000. Mr. Mann then opened the floor for discussing if HQ should maintain ISO 9001 certification, and if so, issues associated with the proposed model for meeting ISO 9001:2000. The overwhelming consensus of the Council supported continuing certification and transitioning to the new standard in a way that focused our resource investment with the emerging Government Resources Performance Act (GPRA) requirements.

The Associate Deputy Administrator (ADA) concurred with the benefits of Headquarters maintaining ISO 9001 certification, but recognized the need for a more in-depth discussion regarding transitioning the HQ Quality System to ISO 9001:2000. The ADA tasked the ISO 9001 Program Office with:

- 1) Setting up a follow-on meeting in the July 31, 2001, timeframe;
- 2) Obtaining consensus on the Headquarters product set and refining the resource estimates; and
- 3) Ensuring that the Director of the ISO 9001 Program Office met with each Quality Council member, prior to the aforementioned meeting, to review proposed transition plans.

The discussion then turned to actions as a result of the meeting. The following actions were identified:

<u>Responsible Organization</u>	<u>Action</u>
All OIC's	Review the Code M action management process, determine how the Code M process best practices can be adapted to your needs, and determine if HATS can be used to better manage your process if not currently used – <b>Provide results to ISO 9001 Program Office by September 1, 2001.</b>
Code JI (ISO 9001 Program Office)	<ol style="list-style-type: none"> <li>1) Analyze OIC inputs regarding their review of the Code M action management process and their use of the HATS system to better manage their action tracking processes, and report results to the next semiannual Quality Council meeting – <b>no later than December 4, 2001.</b></li> <li>2) Collaborate with all OICs concurrently with ISO 9001:2000 transition schedule to expand the focus of customer complaints to all customer communications. Concentrate on Code A and Enterprise systems as the predominate tracking mechanisms, and facilitate OICs to utilize existing systems to track internal corrective actions - just ensure they are in the system and are tracked and managed in accordance with the best practices. Report status at next planned special session of the Quality Council - <b>no later than August 31, 2001.</b></li> <li>3) Work with all codes to further define the HQ model for transitioning the HQ Quality System to meet the requirements in ISO 9001:2000 as discussed at the May 4, 2001, Quality Council meeting. Meet individually with each OIC to review and discuss the model prior to holding a special session of the Quality Council to review the details – <b>no later than August 31, 2001.</b></li> </ol>
Code B (HQ ISO 9001 Executive Management Representative)	Present a detailed model and plan for HQ to transition to the requirements of ISO 9001:2000 to a special session of the HQ Quality Council – <b>no later than August 31, 2001.</b>
Code AE	Report on progress in addressing ISO 9001 Program Office PCA recommendations at next semiannual Quality Council meeting – <b>no later than December 4, 2001.</b>
Code AS	Status progress of establishing Education and Outreach policies and procedures in conjunction with Communicate Knowledge at the next semiannual Quality Council meeting

– no later than December 4, 2001

Code Z

- 1) Report status of development of Advisory Committee HCP at next semiannual Quality Council meeting – **no later than December 4, 2001**
- 2) As the process steward for *“Manage Strategically,”* and through active collaboration with the other three crosscutting process stewards, lead a review of the benefits and shortcomings of the four crosscutting processes, and work with Code AI to schedule a time to present the results of the review and recommendations at a future Senior Management Council meeting – **complete scheduling of the meeting no later than June 4, 2001.**

In accordance with HQPC 1150.1, the next regularly scheduled meeting of the HQ Quality Council is required to occur between October 4, and December 4, 2001. As requested by the ADA, **a special session of the HQ Quality Council has been scheduled for August 13, 2001, from 1 –2 p.m. in ACR-2.** The purpose of this meeting is to discuss detailed plans for transitioning to the requirements of ISO 9001:2000.

Scott M. Holliday

Enclosure

Concurrence:

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Michael B. Mann  
HQ ISO 9001  
Executive Management Representative

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Date

Approval:

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Daniel R. Mulville  
Associate Deputy Administrator

\_\_\_\_\_  
Date

Enclosure

Distribution:

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